

LIHEAP ELIGIBILITY AND VERIFICATION GUIDE

Department of Community Services and Development

A Complete Guide for HEAP Intake

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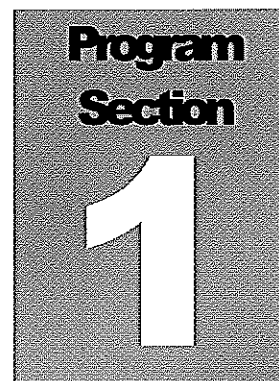
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What's New for Program Year 2008

Priority Plan Income Category

Energy Burden

Program Year 2008 Guidelines

Payment Tables

Priority Plan Income Category

Purpose: In accordance with federal law agencies must ensure that the highest level of priority will be given to those households which have the lowest incomes and the highest energy costs in relation to income, taking into account family size. The five income ranges represent threshold percentages of the Federal Poverty Guidelines, which correlates to the poverty thresholds as defined by the U.S. Department of Health and Human Services (HHS).

Procedure: Agencies must assign a point value to each income range with the highest value assigned to the less than 75% income range. By assigning point values to households with the lowest incomes, households most in need will receive greater weighting (priority consideration) for receiving services. Point considerations should sequentially decrease as income ranges approach the 60% State Medium Guideline. Below is the listing of income levels by number in household for the five federal poverty groups:

	Range 1	Range 2		Range 3		Range 4		Range 5
HH	<75%	75% - 100%		101.1% -125%		125.01 – 150%		> 150.01%
1	638.13	638.14	850.83	850.84	1063.54	1063.55	1276.25	1276.26+
2	855.63	855.64	1140.83	1140.84	1426.04	1426.05	1711.25	1711.26+
3	1073.13	1073.14	1430.83	1430.84	1788.54	1788.55	2146.25	2146.26+
4	1290.63	1290.64	1720.83	1720.84	2151.04	2151.05	2581.25	2581.26+
5	1508.13	1508.14	2010.83	2010.84	2513.54	2513.55	3016.25	3016.26+
6	1725.63	1725.64	2300.83	2300.84	2876.04	2876.05	3451.25	3451.26+
7	1943.13	1943.14	2590.83	2590.84	3238.54	3238.55	3886.25	3886.26+
8	2160.63	2160.64	2880.83	2880.84	3601.04	3601.05	4321.25	4321.26+

For example: If a household of 2 has an income of \$1,500, the income would be Range 4 and receive the amount of points assigned to that range by the agency.

Determining eligibility: Total all points an application receives from Sections 1 through 5 of the priority plan before determining the eligibility of an application and record the total point assignment in the designated area at the top of the intake form.

Note: For those agencies that use the Pending function within CLASS or use CLASS to carry-out the prioritization of clients, the system will not have the ability to calculate points for the new "Income Category"

CHANGES FOR 2008

Section 2. As a result, it will be necessary to calculate the total priority points for each application manually to determine eligibility.

Old Issue Revisited

ENERGY BURDEN

Energy burden ranges have been determined by each agency based on their projected Energy Burden goals. It is important that energy burdens are calculated correctly to ensure accuracy in reporting and in evaluating and prioritizing client needs. The appropriate energy costs and income amounts must be entered into CLASS. Only one month's energy cost is to be used in the calculation, even in the case of a Fast Track client when past due arrearage amounts may appear on the monthly utility bill.

CALCULATING ENERGY BURDEN

1. Use all energy utility costs from all sources to calculate the total energy costs for a one-month period (gas and electric, wood and propane) when calculating energy burden. Use the entire amount owed for the current one-month period. The current months total can include the usage amount, surcharges and/or taxes. **Do not include in this total any arrearages from a previous month (s).**
2. Total all household income for one month,
3. Divide the total household income into one months energy cost. The resulting percentage is the household energy burden. For example:

Eligibility Guidelines 2008 PY

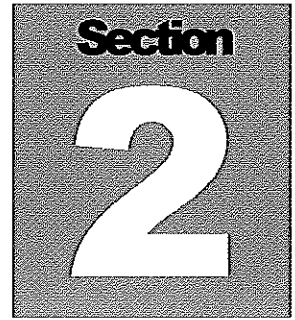
HH	Monthly Income	Yearly Income
1	\$1,838.50	\$22,062.04
2	\$2,404.20	\$28,850.36
3	\$2,969.89	\$35,638.68
4	\$3,535.58	\$42,427.00
5	\$4,101.28	\$49,215.32
6	\$4,666.97	\$56,003.64
7	\$4,773.04	\$57,276.45
8	\$4,879.11	\$58,549.26
9	\$4,985.17	\$59,822.07
10	\$5,091.24	\$61,190.22
11	\$5,197.31	\$61,094.88
12	\$5,303.38	\$62,367.69
13	\$5,409.44	\$63,640.50
14	\$5,515.51	\$64,913.31
15	\$5,621.58	\$66,186.12
16	\$5,727.65	\$67,458.93
17	\$5,833.71	\$68,731.74
18	\$6,045.85	\$71,277.36
19	\$6,045.85	\$72,550.17
20	\$6,151.92	\$73,822.98
21	\$6,257.98	\$75,095.79
22	\$6,364.05	\$76,368.60
23	\$6,470.12	\$77,641.41
24	\$6,576.19	\$78,914.22
25	\$6,682.25	\$80,187.03

Payment Tables

Benefit levels for gas and electric utility bill assistance are determined using a formula that takes into consideration factors that include the household size, the household gross monthly income and energy costs within the residing county. The formula evaluates the household income in relation to the Federal Poverty Guidelines, as published by the Department of Health and Human Services. This evaluation of client income combined with other formula factors and considerations (i.e. energy costs) enables the department to establish benefits that are both proportionate to need and income level. As a result, benefits are established and structured with the highest possible benefit assigned to the poverty groups representing below and slightly above poverty.

As of January 2, 2008, the attached benefit levels are in effect for 2008 contract.

Please refer to the attached 2008 payment tables for the 2008 HEAP and Fast Track benefit levels for your designated service area



Eligibility

Criteria for Eligibility

An applicant for all LIHEAP programs must meet the following criteria:

- ✓ Be a resident of California
- ✓ Meet the income guidelines
- ✓ Be responsible for energy costs
- ✓ Prove citizenship if the applicant is being served by a public agency
- ✓ Meet the definition of a household
- ✓ The housing unit must meet the definition of a dwelling

Definition of household: A household includes any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payment for energy in the form of rent.

Definition of a dwelling: A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant is intended for occupancy) as separate living quarters.

- ✓ Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.
- ✓ The occupants may be a single family, one person living alone, two or more families living together, or any group of related or unrelated persons who share living arrangements.

ELIGIBILITY

DEFINITION OF INELIGIBLE DWELLING:

- ✓ Applicants renting a room in someone else's home. (Exception: applicant provides proof that his/her living arrangement adheres to the definition of "separate living quarters".)
- ✓ Applicants living in transitory, tent or temporary encampments such as Slab City in Niland.
- ✓ Applicants living in board-and-care facilities, nursing or convalescent homes, or in jail or prison.
- ✓ Applicants who are homeless.

EXCEPTIONS TO INELIGIBLE DWELLING CRITERIA:

- ✓ Applicants who provide proof that they live in separate living quarters in someone else's home, meeting the definition of separate living quarters, are eligible for HEAP assistance. Separate living quarters are defined as: "quarters in which the occupants do not live and eat with any other persons in the structure and which have either direct access from the outside of the building or through a common hall or complete kitchen facilities for the exclusive use of the occupants".
- ✓ Applicants living on boats, in a marina with a dock number and utility hook-up, are eligible for HEAP assistance.

Prioritization

Federal law requires States to target households with lowest-incomes and high energy costs, taking into consideration households with elderly and disabled persons, and children under six. All agency staff should be familiar with the priority plan and forecasted goals. Goals are a reflection of the agency's priority plan for delivery of services.

In accordance with federal law agencies must ensure that the highest level of priority will be given to those households which have the lowest incomes and the highest energy costs in relation to income, taking into account family size. New for the PY 2008, is the incorporation of household income as a consideration of priority. By assigning point values to households with the lowest incomes, those households most in need will receive greater weighting (priority consideration) for receiving services and ensure compliance with Federal law requirements for targeting.

Agencies are required to prioritize the delivery of services for all LIHEAP programs in accordance with the approved "Prioritization Plans" as part of the LIHEAP Local Plan. All applications must be screened and evaluated using your agency's priority plans.

Your agency's approved Prioritization Plan and annual goals can be viewed in CLASS with an ADM access code, by clicking on the Agency Profile Menu button, and selecting the LIHEAP Goals, HEAP or FAST TRACK Priority Plan "GO" button.

Denied or Ineligible Applications

When service to a client is refused it is essential to establish if the application is ineligible or denied. Applications that are ineligible are not considered appealable and therefore, do not have to be advised of their appeal rights. However, applications that are considered "denied" are appealable and the applicant must be informed of their appeal rights.

NOTIFICATION REQUIREMENTS

- ✓ When an application is approved for payment, notification can be verbal, in writing by post card, or a form letter.
- ✓ If an application is determined to be ineligible, the applicant must receive written notification defining the reason for refusal of service.
- ✓ If an application has been denied, the applicant must be advised in writing of the reason for denial and their appeal rights and procedures.

INELIGIBLE APPLICATIONS

An application that is rejected for the following reasons is not appealable:

- ✓ Agency is out of funds
- ✓ Household does not meet the agency priority plan

However, the applicant must still be notified in writing of the reason for the refusal of service but it is not necessary to advise them of their appeal rights.

ELIGIBILITY

DENIED APPLICATIONS

State Regulations (22 CCR § 100805), define the following situations as appealable:

- ⇒ **The application was not acted upon within 15 working days**
- ⇒ **Unsatisfactory performance**
- ⇒ **Application was denied.** A denial means that all of the following criteria have been met:
 - Services and funds are available.
 - The contractor has authority to disburse services or funds.
 - The applicant meets or believes he/she meets eligibility criteria and
 - The applicant meets the conditions of the priority plan

DENIAL NOTIFICATION REQUIREMENTS

When an application is “denied”, the applicant must be advised in writing within 15 working days of the following:

1. The reason for denial
2. The ability to have the local agency review
3. The right to submit additional information
4. The final decision after local agency review in writing within 15 working days
5. The right to request an appeal to CSD within 10 working days

ELIGIBILITY

**SUGGESTED LANGUAGE FOR
NOTIFICATION OF AN INELIGIBLE
APPLICATION:**

Dear LIHEAP Applicant:

Your 2008 HEAP application requesting assistance with your energy costs has been received. While your household meets the income eligibility requirements, your household did not meet our agency's priority plan and is not qualified to receive assistance at this time.

The State of California requires LIHEAP Service Providers (agencies) to establish a priority plan due to the overwhelming demand and the limited funding resources for LIHEAP assistance. The priority plan provides a method for serving those with the greatest need. However, if your circumstances change, please feel free to reapply.

**SUGGESTED LANGUAGE FOR
NOTIFICATION OF A DENIAL:**

Dear LIHEAP Applicant:

Your 2008 HEAP application requesting assistance with your energy costs has been received. We regret to inform you that your application is being denied for the following reason (s):

- ☐ Over income guidelines
- ☐ Incomplete/missing information
- ☐ Credit on bill
- ☐ Duplicate application, etc.

If you disagree with this decision and/or you have additional proof that may establish your eligibility, you have the right to appeal. To initiate the appeal process please send a written request explaining why you feel this decision was in error and any additional proof of eligibility within () days* of this letter.

* The amount of days is at the agency's discretion but it must be a reasonable time frame to allow the applicant to respond.

Qualifying an Applicant as Disabled

CSD does not require agencies to obtain written documentation to verify the disability of an applicant. However, at the agency's discretion it is reasonable to ask for proof of disability. The following documentation is acceptable proof:

- ✓ Participation in a federal disability program (SSI, Veteran's disability, developmental disability programs in education).
- ✓ A statement from a doctor is reasonable to ask for if an applicant falls under the federal definition of disability.

However, under federal law, even if a person is "regarded as having impairment," this individual is considered to be disabled, whether or not it has ever been diagnosed or documented. In these cases, acceptable forms of substantiation may include either a) documentation to establish proof of the disability, or b) self certification. To satisfy the "b)" option, the form should have a place where the applicant initials or signs the following statement. "I declare that I or one of my household members has a disability within the meaning of the Rehabilitation Act of 1973."

Confidentiality of Social Security Numbers

“The Social Security number has a unique status as a privacy risk. No other form of personal identification plays such a significant role in linking records that contain sensitive information that individuals generally wish to keep confidential” Department of Consumer Affairs, Office of Privacy Protection Recommended Practices for Protecting the confidentiality of Social Security Numbers

CSD eligibility requirements do not require the collection of copies of social security cards and drivers licenses. However, if an agency determines that such documents are necessary, due care must be taken to secure this sensitive information. It must be stored in a secure and locked location. Access to the location where client file information is maintained must be limited and regulated by internal controls.

The Department of Consumer Affairs offers the following guidelines to protect social security numbers and other confidential information:

1. Develop a written security plan for record systems that contain social security numbers (SSNs).
2. Develop written security policies for protecting the confidentiality of SSNs.
3. Provide training and written material for employees on their responsibilities in handling SSNs.
4. Conduct training at least annually and train all new employees, temporary employees and contract employees.
5. Impose discipline on employees for non-compliance with organizational policies and practices for protecting SSNs.
6. When discarding or destroying records in any medium containing SSNs or other confidential information, do so in a way that protects their confidentiality, such as shredding.

Client Files

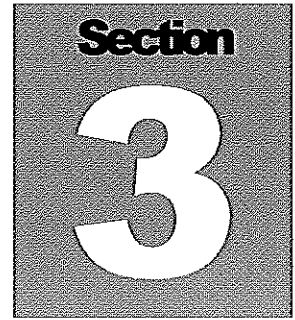
HEAP GAS AND ELECTRIC

- HEAP client files must contain specific documents.
- Completed and signed intake form. The applicant name and signature must be the same person. The applicant does not need to be the customer on the utility bill. Priority points should be entered in the space provided on the top of the intake form.
- Copy of the utility bill from the company that will receive the HEAP payment. It is important to collect bills from all sources of energy used in the household to determine the actual energy burden. However, copies of all sources are not required.
- Copies of the proof of income (please see Section 3 for examples).
- Verification of energy conservation education and budget counseling.
- If the agency is required to verify citizenship, the file must contain proof as directed.
- HEAP client files must be retained for 3 years.

FAST TRACK GAS AND ELECTRIC

- Must contain all of the above.
- Proof of energy crisis, such as a shut off notice, proof that services have been disconnected, or a deposit is needed to establish services.
- Fast Track client files must be retained for 3 years.

NOTE: CSD DOES NOT REQUIRE A COPY OF THE SOCIAL SECURITY CARD OR DRIVERS LICENSE. It is at the agency's discretion to include these documents in the intake package.



Proof of Income

INCOME VERIFICATION

- ✓ Proof of income must be current to within 6 weeks from the intake date (unless otherwise specified by the agency).
- ✓ Income must be the total gross income before deductions.
- ✓ Income document(s) should cover a one-month period unless applicant did not work a full month.
- ✓ On an exceptional basis a single weekly or bi-weekly paycheck can be calculated using the formulas listed below to equal one month. **Applicants are required to submit a complete month's verification of income. However, on a case by case basis, calculating of income based on an incomplete set of documents is permitted.**

CALCULATING INCOME

CSD offers two calculation methods in determining monthly income. Agencies can choose either of the two calculations methods for determining monthly income when it is determined that one month's income documents cannot be submitted by the client. However, the selected calculation method must be consistently applied throughout the entire program in determining monthly incomes for all LIHEAP clients.

- A weekly gross income can either be multiplied by 4 or 4.333 to total 1 month's income.
 - $\$550 \text{ weekly} \times 4 = \$2,200 \text{ monthly income}$
 - $\$550 \text{ weekly} \times 4.333 = \$2,383.15 \text{ monthly income}$
- Bi-weekly gross income should be multiplied by 2 or 2.167 to total 1 month's income.
 - $\$1,200 \text{ bi-weekly} \times 2 = \$2,400 \text{ monthly income}$
 - $\$1,200 \text{ bi-weekly} \times 2.167 = \$2,600.40 \text{ monthly income}$
- Quarterly gross income (including any interest and dividends) should be divided by 3 to arrive at a monthly average.
 - $\$4,000 \text{ quarterly divided by } 3 = \$1333.33 \text{ monthly income}$
- Zero income must be documented on a signed self-certification statement from the applicant. Statement must include the individual's name, date, signature, and attest to the fact that all statements are true and correct.

PROOF OF INCOME

CAL WORKS/TANF/AFDC

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of current check.
- Current Notice of Action.
- Current verification from worker with amount and date.
- Food Stamp verification with current income amount listed.
- Current aid printout summary.

Note: A family's monthly Food Stamp allotment amount is not considered income. Do not include the Food Stamp amount when calculating income.

Overpayment adjustments should not be deducted from the grant amount.

UNACCEPTABLE

- Outdated or altered information.
- Medi-Cal cards.
- Food Stamp verification with no income amount or date.
- CW7 Report.
- Notice of Action stating homeless aid.

PROOF OF INCOME

GR/GA

GENERAL RELIEF/GENERAL ASSISTANCE

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of current check.
- Current Notice of Action.
- Current verification from worker with amount and date.
- Food Stamp verification with the current income amount listed.
- Current aid summary.
- Copy of bank statement showing direct deposit.

Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

UNACCEPTABLE

- Outdated or altered information.
- Medi-Cal cards.
- Food Stamp verification without income amount or date.

PROOF OF INCOME

SSI/SSP

**SUPPLEMENTAL SECURITY INCOME/STATE
SUPPLEMENTARY PAYMENTS**

ACCEPTABLE

**NOTE: PROOF OF INCOME FOR THESE ITEMS
MUST BE CURRENT TO WITHIN 6 WEEKS OF
APPLICATION INTAKE DATE.**

Overpayment adjustments are to be included.

- Copy of check.
- Payee's (income recipient) letter of verification showing income amount.
- Notice of planned action.
- Copy of bank statement showing direct deposit.
Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.
- Computer printout stating the current monthly amount.

Note: For the following items, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/07 but letter states applicant will receive \$\$ beginning 1/08.)
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.

UNACCEPTABLE

Note: Do not include as income the SSI recipient's funds received for caregiver service providers of the following programs: In-Home Supportive Services or the Pass Program

- Outdated or altered information.
- Benefit letter with no income amount or date.
- Payee's letter of verification not showing income amount.
- Medi-Cal cards.

PROOF OF INCOME

SSA

SOCIAL SECURITY ADMINISTRATION

ACCEPTABLE

**NOTE: PROOF OF INCOME FOR THESE ITEMS
MUST BE CURRENT TO WITHIN 6 WEEKS OF
THE APPLICATION INTAKE DATE.**

**Overpayments adjustments must not be
Deducted**

- Copy of check.
- Payee's (income recipient) letter of verification showing income amount.
- Notice of planned action.
- Copy of bank statement showing direct deposit.

Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

- Computer print-out stating the current monthly amount.
- SSA Form 1099 (Only acceptable if intake date is within the 6 week period following January 1, 2008.)

Note: For the following items, DO NOT look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (i.e., date of letter is 12/07, but letter states applicant will receive \$\$ beginning 1/08).
- Computer printout or letter that states the current annual benefit amount.
- Form 2458 completed by Social Security Office.
- HUD statement from Department of Housing with a Social Security amount.

UNACCEPTABLE

**Note: Medicare premiums are not considered
income and must be deducted from total
gross amount.**

- Outdated information.
- Benefit letter with no income amount or date.

PROOF OF INCOME

- Payee's letter of verification not showing income amount.
- Medicare cards.

PROOF OF INCOME

PENSIONS AND ANNUITIES

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check.
- Copy of bank statement showing direct deposit.

Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

Note: For the following items, **DO NOT** look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Pension verification (i.e., letter or printout. Time frame of benefit must be current).
- Annual statement from pension plan.
- Form 1099. (Only acceptable if intake date is within the 6 week period following January 1, 2008.)

UNACCEPTABLE

- Outdated or altered information.
- Benefit letter with no income amount or date.

PROOF OF INCOME

WAGES/EARNED INCOME

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check(s) showing gross amount.
- Current copy of pay stub(s) covering 1 month of gross income (using necessary formulas).
- Letter from employer with gross amount and current time frame.
- Notice of Action showing earned income.
- HUD statement from Department of Housing with annual income amount.

UNACCEPTABLE

- Outdated information.
- Information without dates.
- Copy of check(s) showing net amount only.
- Federal and State Tax Forms (exception: self-employed).
- W2 Forms.
- Non-consecutive pay stubs. (If unable to determine monthly gross.)
- Employers' letter not showing gross income amount.
- Food Stamp verification with no dollar amount listed.
- Renter's Credit Form.
- Copy of bank statement.
- Military pay showing base pay only.

PROOF OF INCOME

INTEREST/DIVIDEND INCOME

ACCEPTABLE

**NOTE: PROOF OF INCOME FOR THESE ITEMS
MUST BE CURRENT TO WITHIN 6 WEEKS OF
THE APPLICATION INTAKE DATE.**

- Current statement(s) from financial institution(s).
- Current copy of financial statement(s) showing direct deposit.
 Note: The date of the deposit or the issue date of the statement can be used
 to determine if the document is current to 6 weeks of intake date.
- Current copy of check(s).

UNACCEPTABLE

- Outdated information.
- Information without a date.
- Financial statement(s) without a dollar amount listed.
- Federal and State Tax Forms.

PROOF OF INCOME

WORKER'S COMPENSATION

DISABILITY/UNEMPLOYMENT BENEFITS

ACCEPTABLE

**NOTE: PROOF OF INCOME FOR THESE ITEMS
MUST BE CURRENT TO WITHIN 6 WEEKS OF
THE APPLICATION INTAKE DATE.**

- Copy of current check(s).
- Current check stub(s).
- Current printout.
- Current award letter.

UNACCEPTABLE

- Outdated information.
- Information without a date.
- Award letter without income/date.

PROOF OF INCOME

CHILD/SPOUSE/INDIVIDUAL SUPPORT

An individual paying child support can deduct that payment from their countable income. However, the individual receiving the child support payment must include the payment amount when calculating household income.

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Current court documents.
- Current copy of check(s).
- Current signed and dated statement from person providing support.
- Current Notice of Action indicating supportive measures.

UNACCEPTABLE

- Outdated information.
- Statement without dollar amount or date.
- Unsigned written statement.
- Federal and State Tax Forms.

VETERANS' BENEFITS

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Copy of check.
- Current letter of verification from the Department of Veterans Affairs.
- Current copy of bank statement showing direct deposit.

Note: The date of the deposit or the issue date of the statement can be used to determine if the document is current to 6 weeks of intake date.

Note: For the following item, **DO NOT** look at the date of the document. You must look at dates covering benefits within the document to determine eligibility. These dates must be current.

- Annual benefit letter with current dates (date of letter is 12/07, but letter states applicant will receive \$\$ beginning 1/08).

UNACCEPTABLE

- Outdated or altered information.
- Benefit letter without income amount or date.

STUDENT FINANCIAL AID

GRANTS, SCHOLARSHIPS, WORK STUDY AND LOANS

ACCEPTABLE

NOTE: All forms of student assistance, other than loans and scholarships, are considered income, including grants, work-study, and tuition paid by grants, stipends. If aid consists of loans and/or scholarships only, set the applicant's income at zero (0).

One or more of the following may be required:

- Financial Aid statement from college/university.
(Divide the annual grant amount by the time frame of the grant.
Example: If a student provides a total Fall and Spring grant amount, divide by 9. If only Fall or Spring, divide by 4.5.)
- Letter of support showing an amount.
- Current check stub(s).
- Current Notice of Action.

UNACCEPTABLE

Note: Student loans and scholarships are NOT considered income and must be deducted when included in total income.

- Outdated or altered information.
- Copy of check(s) showing net amount only.
- Letter of support without dollar amount or date.

SELF-EMPLOYMENT

ACCEPTABLE

- Current signed 1040 Federal Tax Form.

Must show a dollar amount, either on line 12 or 17, to be valid income verification for self-employed. Tax Form 1040 is acceptable until next year's filing date. 2006 Income Tax Form is good until April 15, 2008.

When using a 1040 Tax Form, calculate monthly gross income for self-employed by dividing the amount on line 22 by 12 months. If line 22 is zero or a negative amount, set the income amount on the application to zero (0).

- Current copy of ledger or journal (Handwritten information is acceptable).
- Signed self-employment statement showing month, gross receipts, gross expenses, and net income.

UNACCEPTABLE

- Outdated or altered information.
- Unsigned 1040 Federal Income Tax Form.

PROOF OF INCOME

OTHER SOURCES OF INCOME

ACCEPTABLE

NOTE: PROOF OF INCOME FOR THESE ITEMS MUST BE CURRENT TO WITHIN 6 WEEKS OF THE APPLICATION INTAKE DATE.

- Current receipts for recycled materials.
- Current receipts or self-certification statement for odd jobs with a dollar amount and date.
- Self-certification statement of zero (0) income.
- Net rental income (total rental income less utility costs).

❖ Example: If total rent is \$300.00 and utility cost is \$200.00 then the net income is \$100.00.

UNACCEPTABLE

Note: Applicants that may not have income for a qualifying month. Pending income or pending assistance will not be considered income. This is considered zero income and the income on the application should be set at zero (0).

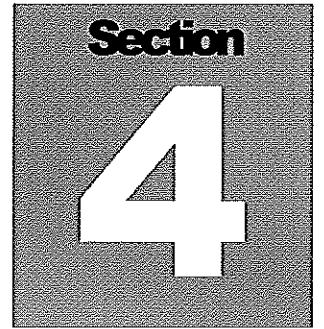
- Outdated or altered information.
- Receipts or statement without a dollar amount or date.

THE FEDERAL REGISTER DEFINES INCOME AS FOLLOWS:

Money, Wages, and Salary
Capital Gains
Receipts from Own Unincorporated
Business, Professional Enterprise, or Partnership, after Deductions for
Business Expenses
Social Security
Railroad Retirement
Strike Benefits from Union Funds
Worker's Compensation
Veterans' Payments
Unemployment Compensation
Training Stipends
Emergency Assistance Money Payments
Public Assistance, TANF, SSI, GA, GR
Alimony
Military Family Allotments
Military Retirement
Any regular support from an absent family member or someone who is
not living in the household.
Government Employee Pensions
Regular Insurance or Annuity Payments
Private Pensions
College/University, Grants, Fellowships, and Family
Assistance
Dividends/Interest
Net Rental Income
Net Royalties
Periodic Receipts from Estates or Trusts
Net Gambling or Lottery Winning
Receipt of child support payments

**THE FEDERAL REGISTER
DOES NOT CONSIDER
THE FOLLOWING AS
INCOME:**

College/University Scholarships and Student loans
Military combat pay
Child Support Payment contributions
Draw down from Reverse Mortgage
The sale of property (car or house)
Tax Refunds
Gifts
Loans
Lump sum Inheritances
One-time Insurance Payments
Compensation for Injury
Employer or Union-paid Portion of Health Benefits
Fringe Benefits
Withdrawal from Savings
Food or housing received in lieu of wages.
Federal Non-cash Benefit Programs
(Medicare, Medicaid, Food Stamps
School Lunches, Housing Assistance)
The value of food and fuel produced and consumed on farms
The imputed value of rent from owner-occupied non-farm or farm
housing.



Energy Bill

GENERAL GUIDELINES TO FOLLOW WHEN DETERMINING ENERGY BURDEN

Applicants are required to submit all of their energy utility bills for a one-month period (gas and electric, wood and propane, or any combination thereof), if applicable. However, only the bill for the company receiving the assistance is required.

In instances where a household is unable to obtain a copy of a secondary energy bill, it is acceptable to have the applicant estimate the cost of their absent energy bill(s). This estimation should be documented and maintained in the client's file. HEAP assistance can only be made to a utility company where a bill is present.

Calculating Energy Burden

1. Use all energy utility costs to calculate the total energy costs for a one-month period (gas and electric, wood and propane) when calculating energy burden. Use the entire amount owed for the current one-month period. This can include the usage amount, surcharges and/or taxes. Do not include in the total arrearages from a previous month (s).
2. Total all household income for one month.
3. Divide the total household income into one months energy cost. The resulting percentage is the household energy burden. For example:

Monthly electric charges...\$45.15

Monthly natural gas charges...\$56.36

Total monthly energy cost.....\$101.51

Total household income.....\$1,000

\$101.51 divided by \$1,000 = 10.1%

The energy burden for this household is 10.1%

4. Households that submit more than one valid energy utility bill, the HEAP benefit amount can be applied to only one company. Applicants will continue to select the utility company that will receive the HEAP or Fast Track benefit.

5. If an applicant fails to specify a utility provider, the HEAP assistance should be applied to the household's primary energy provider.

ESTIMATING ENERGY BURDEN FOR SUBSIDIZED HOUSING

A resident participating in a Housing and Urban Development (HUD) Housing Assistance Program that is 100% or fully subsidized, meaning they do not pay any portion of their rent, would not be eligible for the program. Examples of ineligible dwellings would be shelters, nursing homes, prisons etc. However, if the client is responsible for paying a portion or the entire rental (utilities included in rent) charges, it is reasonable to assume that the client incurs an out of pocket expense for energy costs, and is eligible to participate in LIHEAP.

CSD policy does allow for estimating energy costs for clients with energy charges included in rent only when the landlord is unwilling or unable to provide documentation on the portion of rental charges that are being applied to utilities.

The following is a brief summary of two acceptable methods that can be used with estimating energy charges for clients with utility charges included in rent:

1. Use the known costs of a similar building in the surrounding area.
2. Use the average energy burden percentage of previously served clients as a "predetermined percentage" for estimating purposes. For example:
 - ✓ The average energy burden of previously served clients in like circumstances with utility charges included in rent is 15%.
 - ✓ A client residing in HUD assisted housing has an out of pocket rental fee of \$200
 - ✓ Using 15%, the average energy burden of previously served clients, as the "predetermined percentage", multiply the client's rent by the 15% factor to determine an estimated energy cost amount: $15\% \times \$200 = \30.00
 - ✓ Client's income is \$700.
 - ➔ **\$30 energy cost divided by \$700 income = 4.29% energy burden**

Energy Bill Criteria

The utility bill provides documentation of the physical address, energy costs and valuable utility account information to ensure the delivery of cash assistance benefits by means of direct payment.

ENERGY BILLS MUST INCLUDE:

1. Service address
2. Account number
3. Name of the utility company
4. Customer's name
5. The dollar amount of a full month's energy costs (at least 22 days)
6. For Fast Track application, the total amount due on the bill

ACCEPTABLE

Note: In rural areas, the service address can be descriptive (Example: 3rd house on the left, past the gas station, etc...).

- ⇒ Energy bill(s) must contain a billing period current to within 6 weeks of the application intake date.
- ⇒ Must be able to determine the amount of the household's current energy costs.
- ⇒ Acceptable energy bills include current, delinquent, shut-off notices, or energy statement/print-outs that indicate usage without added fees. Some exceptions may apply. Please contact the Help Desk for assistance.

UNACCEPTABLE

- ⇒ Opening bills (if less than 22 days) some exceptions may apply. Please contact the Help Desk for assistance.
- ⇒ Closing bills
- ⇒ Altered bills
- ⇒ Service address on the utility bill does not match the applicant's service address
- ⇒ Outdated utility bill

**ENERGY COSTS THAT ARE INCLUDED IN
RENT, SUBMETERED, OR OTHER
PRIMARY SOURCES OF ENERGY**

Documentation must include:

1. Date
2. Tenant/Customer's Name
3. Service Address
4. The amount of rental charges covering energy expenses
5. Landlord's signature
6. Photocopied and faxed letters of utility cost verification
 - ✓ Agency must keep a dated copy with a wet signature on file for each multi-family dwelling. Letter must contain service address, date, and the location of the original signature.
 - ✓ This document maybe photocopied for insertion into the client file of other tenants in that building.
 - ✓ A newly signed landlord letter must be obtained each program year.

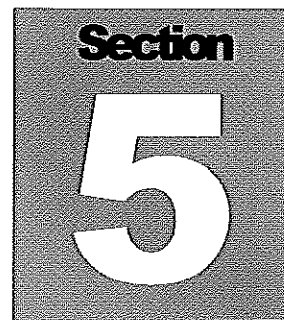
ACCEPTABLE

NOTE: DOCUMENTATION PROOF MUST BE CURRENT TO WITHIN ONE YEAR OF APPLICATION INTAKE DATE.

- ✓ Must indicate the dollar amount of the applicant's monthly rent that is applied towards energy costs.
- ✓ Rental agreement that indicates utilities included in rent
- ✓ Rental receipt that indicates utilities included in rent
- ✓ Original or faxed letter signed by landlord/manager
- ✓ HUD statement showing zero utility allowance
- ✓ Billing services statement that indicates submetered

UNACCEPTABLE

- ✓ Documents that do not show energy charges
- ✓ Documents that have been altered
- ✓ Outdated information
- ✓ Landlord statements that are unsigned
- ✓ Letter that does not indicate customer name and apartment number if applicable



Payments

Partial Credit Returns to a Different Utility Company

To reissue a remaining partial credit to a different utility company and the new company is located outside the service territory of the original agency, CSD will request a copy of the utility bill from the new company and reissue the credit accordingly.

Procedure to reissue a partial credit return to a different utility company:

1. Applicant must initiate the process by contacting the agency or CSD
2. Agency must refer the applicant to CSD.
3. Applicant must provide CSD with a copy of the new utility bill.
4. CSD will reissue the partial credit return to the new utility company.

Procedure to reissue a partial credit return to the same utility company:

1. The agency can comment the record with the new service address and account number but then must contact the Help Desk to reissue the credit or
2. The applicant can contact CSD with the new service address and account number and CSD will reissue the credit to the new account.

It is important to remember that an agency must resolve payment returns within 90 days from the date the payment is returned from State Controllers Office or from the utility company to CSD. If a payment is not reissued within 90 days, on the 91st day the record will close and the return payment amount will be returned to the agency's remaining allocation.

Criteria for Fast Track Benefits

- Fast Track payments shall only be made where an emergency energy-related crisis exists.
- Applicants must receive energy services from one of the following energy providers: utility companies; mobile home parks that own their own power source; or submetering billing services with legal authority to shut-off utility services.
- An emergency energy related crisis does not exist if the cost of energy is included in the applicant's rent, in which case Fast Track payments shall not be made.
- Documentation of the energy related crisis must be maintained in the client file.

FAST TRACK UTILITY ACCOUNT CRITERIA

- Proof a utility account is past due
- Proof of utility shutoff notice
- Proof of energy termination
- Insufficient funds to establish a new energy account
- Energy related crisis or life-threatening emergency exists within the applicant's household

PAYMENTS

Fast Track Supplemental

DESCRIPTION

Under the Fast Track supplemental benefit provision the total amount of the Fast Track payment cannot exceed the total amount of the entire bill or \$1,000 which ever is less.

The process begins when the Fast Track program is selected on the Customer Data page. It continues by entering the customer data, income verification if applicable and proceeding to the Energy page.

ENERGY PAGE

Household Energy Data									
Customer Data		Energy	Income Verification	Demographics	Comments	Deficiency Detail	Payments	Update Log	
Save Energy Data		Utility Account Dup Check							
Document Locator Number (DLN)	First Name	Last Name							
040010700000225	CLARISSA	YESCAS							
NOTE: Energy Company is entered from Package Page, using the flow below will be selected to be paid AUTOMATICALLY									
Energy Type	Energy Utility	Account Number	Status	Bill Amt.	No. Days	Total Bill Amt.	Monthly Pay? Cost		
Met Electricity	Pacific Gas & Electric Company	ABC5645149	Good	97.00	31	900.00	79.41	YES	
Met Gas								NO	
Other 1									
Other 2									
Calculated Total Energy Costs:							79.41		
Electric Billing Service Address					Gas Billing Service Address				
Non-Standard Name (If two names appear on the bill)					Non-Standard Name (If two names appear on the bill)				
CLARISSA YESCAS									
Billing Address 1		Billing Address 1			Billing Address 1		Billing Address 1		
1510 FE									
Billing City		State Billing ZIP Code			Billing City		State Billing ZIP Code		

➤ Enter:

- Energy Utility - Company name
- Account Number – from the utility bill
- Status – good or deficient

PAYMENTS

- Bill Amt - current energy cost, (please see new guidelines on current energy costs)
- No. Days - number of days covered by the current usage billing
- Total Bill Amt - the total bill amount owed at the time of the intake process, this includes all current energy charges, arrearages, fees, surcharges, and taxes per utility company bill. This must be entered for both the HEAP and Fast Track programs. Energy information for gas or electric must be entered on a separate line unless the same company provides both gas and electric.
- Energy Utility - The utility company that is Xfer (transferred) from the Customer Data Page will be the one selected for payment.
- Billing Service Address - the electric and/or gas billing address, city, state, and zip code.
- Click Save Energy Data button.

Agencies will no longer be able to place a Fast Track application in "Pending" status.

Once the Household Energy Data page is saved and the application is deemed eligible for payment, the Fast Track base payment amount is set. If no additional payment is to be added, the application is now complete.

PAYMENTS

Payment History page

It is on this page, the user will enter the supplemental benefit amount for Fast Track Payments. If the total bill amount is less than the Fast Track base amount, an additional amount cannot be added.

- Click on the Payment History page tab.

Payment History Data									
Customer Data	Entry	Income Verification	Demographics	Comments	Delinquency/Default	Payments	Update Log		
Return to Search									
Document Location Number (DLN)	First Name	Last Name	Eligible Amount	Poverty Group					
040010700000231	TECUSANT LEFT	YESCAS	\$20.00	1					
Enter the total payable amount: <input type="text" value="\$20.00"/> <input type="button" value="Save"/>									
(Cannot exceed the maximum total payment \$ 1000.00)									
Total bill amount		1200.00							
Eligible amount		250.00							
Supplemental Amount		<input type="text" value="0.00"/>							
Transaction Type	Transaction Date	Issue Date	Amount/Utility	Account Number	Warrant Number	Payment Address 1	Payment Address 2	Payment City	Payment ZIP code

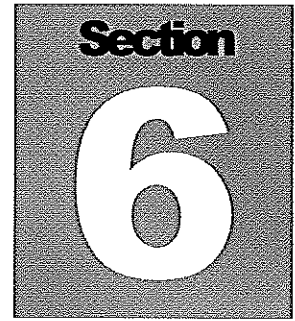
- The base payment amount is labeled the “eligible amount” on this page
- Click into the “Enter the total payable amount” box.
- Enter the total payable amount to be paid to the customer. (This amount includes the base payment amount plus the supplemental amount)
- The total bill amount must not be greater than the total amount owed on the most recent utility bill or \$1,000.00 whichever is less.
- Click on the “Save” button to set the supplemental amount to be added to the eligible amount.
- This will take you to the “Save Supplemental Amount” pop-up. Click on “Return to Payments Page” button.



- To verify the total amount that will be paid to the customer's bill, add the "Eligible amount" with the "Supplemental amount."

These steps must be completed to process a Fast Track application for a Supplemental amount.

- The total bill amount must be entered on the Energy Page prior to opening the Payment History page. This field is now required for both HEAP and Fast Track process.
- If the Total Payable Amount is greater than the entire bill amount or over \$1,000.00 an "Error" message will pop up indicating the problem. You must resolve the error by entering the corrected amount to process for payment.
- The Total Payable Amount will only accept an entry if the record is eligible and has been selected for a Fast Track payment.
- The system will not allow a supplemental payment that exceeds the total remaining allocation amount plus one payment in the amount of your highest benefit level.



Resources from CSD

Help Desk Staff Contacts

Fact Sheets

Documentation Calendar

Intake Forms (CD)

Department of Community Services and Development CLASS Help Desk

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CLASS HELP DESK STAFF

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Help Desk Fax (916) 341-4207

Jeanette Ramirez, Staff Service Analyst

(916) 341-4208 – jramirez@csd.ca.gov

Amador-Tuolumne Community Action Agency (001)
Central Valley Opportunity Center, Inc. (014)
Community Resource Project, Inc. (017)
Community Services & Employment Training Inc. (018)
Contra Costa County Community Services Department (019)
Fresno County Economic Opportunities Commission (027)
Great Northern Corporation (029)
Inyo Mono Advocates for Community Action, Inc. (034)
Community Action Partnership of Kern County (037)
Kings Community Action Organization, Inc. (038)
Community Action Partnership of Madera County, Inc. (044)
Maravilla Foundation (045)
Mariposa County Housing & Community Development Agency (048)
Metropolitan Area Advisory Committee (050)
North Coast Energy Services (057)
Community Action Partnership of Orange County (062)
Pacific Asian Consortium in Employment (063)
Redwood Community Action Agency (072)
Community Action Partnership of Riverside County (073)
Community Action Partnership of San Bernardino County (078)
Economic Opportunity Council of San Francisco (079)
San Joaquin County Department of Aging & Community Services (204)

CSD RESOURCES

Albert Cobian, Management Services Technician
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Butte County Community Action Agency (005)
Campesinos Unidos, Inc. (010)
Del Norte Senior Center (021)
El Dorado County Dept. of Community Services (024)
Glenn County Human Resource Agency Comm. Div. (028)
Lassen County Community Development Commission (040)
Community Action Marin (046)
Merced County Community Action Agency (049)
Nevada County Community Action Agency (056)
Plumas County Community Development Commission (067)
Project Go, Inc. (068)
San Benito County Department Of Community Services and Workforce Development (077)
Economic Opportunity Commission of San Luis Obispo County, Inc. (080)
Community Action Agency of San Mateo County, Inc. (081)
Community Action Commission of Santa Barbara County (082)
Self-Help Home Improvement Project, Inc. (085)
TEACH, Inc. (093)
Ventura County Commission on Human Concerns (096)
Veterans in Community Services, Inc. (097)
City of Berkeley (228)
Spectrum Community Services, Inc. (229)
Community Enhancement Services (278)
Central Coast Energy Services, Inc. (407)
Community Action Agency of San Mateo County, Inc. (432)

PAYMENT RESOLUTION UNIT STAFF

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